



City of Durham Office of Economic and Workforce Development
Application for Economic Development Incentives
Building Improvement Grant

SECTION 2

The following sections of the application are to be completed by the **APPLICANT**.
Complete within the form, as the space will expand as more information is added.

APPLICANT INFORMATION

Applicant Name	Atlas Foster Real Estate Holdings LLC	Street Address	808 Washington St.
		Mailing address	(same)
Name of Business that Owns Property	Atlas Foster Real Estate Holdings LLC	City /State/Zip	Durham, NC 27701
Contact Person	Todd Atlas		
Title	Member-Manager of LLC	Phone Ext	919-475-6664
Email Address	todd@soundpure.com	Company website	Applicant's Other business sites: www.soundpure.com www.soundpurestudios.com
Fax	801-720-5175	Alt Phone	919-321-1538
# of years in business	12 Years. Application is in the name of the recently incorporated Holding Company, Atlas Foster Real Estate Holdings LLC (2011), but applicant Todd Atlas has been conducting business in Durham, primarily with his business Sound Pure LLC for 12+ yrs.		
Tax Status of Business (check all that apply)	<input type="checkbox"/> Sole Proprietorship <input checked="" type="checkbox"/> Corporation (LLC) <input type="checkbox"/> Partnership	Legal Status of Business:	<input checked="" type="checkbox"/> For Profit <input type="checkbox"/> Not-for-profit (Designation) <input type="checkbox"/> Other _____
How long has the applicant owned the property?	Since 8/31/2011	Is the property currently vacant?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Level of experience applicant or development partner has developing comparable projects successfully	<p>Please see attached Business plan for more complete information regarding this truly remarkable development team that has been assembled to ensure that the project is completed successfully.</p> <p>Applicant has very strong experience having successfully developed an extremely similar property, and been involved in numerous other remodel and construction projects. Applicant was awarded "Outstanding Downtown Renovation" from Downtown Durham, Inc. in 2008 for his work on the Sound Pure Building (at 808 Washington St.). That particular building, as an example, was similarly situated: 1) abandoned, 2) blighted, 3) environmentally friendly infill development, 4) historical preservation of original structure and bones</p> <p>Developer plans to utilize his same award winning design team: for this project: Architect Tim Barber, Engineering Wilson Pou, and Structural Engineer: Leo Campbell, to ensure that the project is similarly successful. Due to the environmental challenges, expert John Gallagher (formerly a partner with Cherokee) is part of the design/consulting team for this project).</p> <p>Developer has experience and knowledge in historical rehabs, infill development, environmental legal matters, and he possesses a Law degree, MBA, and Economics Degree from Duke. He is also the CEO of</p>		



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	Durham-based music business, Sound Pure LLC, currently occupying his award-winning redeveloped property at 808 Washington St., and is on the board of the Durham Arts Council.
Has a tenant or lease agreement been secured by the building owner	<input checked="" type="checkbox"/> Yes, Developer's Sister Company Sound Pure LLC will occupy at minimum, 1980 sq. ft. of the 11,000 Square ft property (see enclosed lease) <input type="checkbox"/> No

SECTION 3**FINANCIAL NEED**

Provide the total project capital investment (must be private, non-residential capital investment). See Section 1 Business Requirements for minimum investment per eligible area

\$400,000+ (for Phase I upfit of project). Total project investment likely to increase substantially, depending on the requirements for Tenant Improvements with Tenants are secured.

Amount of public funds requested

\$75,000.00

Amount
financed by
applicant

\$281,000.00

Statement explaining need for public funds

The public funds greatly improves the financial viability of the project, reduces the risk associated with the environmental risks that developer must assume, and increases lender comfort with the project, and will ensure that it will get off the ground. If awarded the requested Grant, Developer commits to beginning work. Developer is presently working very hard to locate a restaurant partner (possibly two of them)- while restaurants are of greater financial risks to developers, the grant greatly helps alleviate such risk. Additionally, this particular property, largely due to its many environmental issues, poses additional developmental risk, alleviated by the City of Durham Grant. Finally, the historic preservation and eco-friendly design demands of the site further increase cost- Developer wishes to preserve as much of the buildings original character while minimizing environmental impacts during construction, and as an ongoing occupied building.

Provide a financial analysis that supports the viability of the project, including details explaining how the project will be funded completely (i.e. bank loan, private equity, city incentive, etc.)

Please see attached Business Plan for complete financing details.

SECTION 4

OVERVIEW OF PROJECT

Physical address of proposed project	733 Foster St. Durham, NC 27701	Parcel PIN # of proposed project. Visit http://www.ustaxdata.com/nc/durham/durhamtaxsearch.cfm to determine PIN	0822-20-90-0760
Is the property located on a public transportation route? To view routes, visit http://data.durhamnc.gov and select Schedules & Maps on the menu	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <u>Note: Duke Street Route is located very nearby</u>	Is the property designated as historic property or within a historic district? Visit The Durham City-County Planning Department to determine http://www.durhamnc.gov/departments/planning/pdf/hist_resources_map.pdf	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <u>Property is Listed on the NC SHPO "Study List" for the National Historic Register, and will be voted on at the upcoming Feb 2012 meeting for National Register Recommendation</u>
Do you have a statement of support for the project from the local Partners Against Crime (PAC) Committee? To contact your local PAC visit http://www.durhampolice.com/pac/	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Estimated start date and completion date if grant is awarded	Start Date: 1/1/2012		Completion Date: 6/31/2012

SECTION 5 (Limit response to 500 words)

PROJECT DETAILS

1. Provide a brief description of the project, intended use of the development, square footage	<p>Project is an environmentally-friendly, infill re-development of a historically significant property currently listed on the North Carolina State Historic Preservation's Study List (slating it for the National Historic Register) that is currently environmentally impaired due to its former use as a Dry Cleaner. The property is listed in the NC DENR Environmental programs for UST, DSCA, and Brownfields.</p> <p>The proposed use of the property following its environmental remediation/cleanup/mitigation is as a mixed-use property, with Restaurant/Retail in the front portion of the property, and gorgeous, first-class tech office space (well suited for a professional services offices), occupying the remainder.</p>
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	<p>Total Square Footage of Building: 11,000</p> <p><u>1st Floor</u> Square Footage: 9,100 - Proposed as Mixed Use: Restaurant/Retail + Professional Offices</p> <p><u>Lower Level</u> Square Footage: 1,900 - Proposed Use: Sound Pure LLC Audio/Video Production Suites (prof'l svcs)</p>
<p>2. Is proposed project consistent with relevant design plans approved by City Council? If so please explain. Plans are Updated Downtown Durham Master Plan (Dec. 11, 2007), City Center Retail Strategy, RKG Neighborhood Assessment and Plan. To review plans visit http://www.ci.durham.nc.us/departments/eed/publications.cfm</p> <p>NOTE: Please See attached letter of support from Downtown Durham, Inc.</p>	<p><i>Yes. The project is entirely consistent with the spirit and purposes outlined in the Updated Downtown Durham Master Plan, in the following ways:</i></p> <ul style="list-style-type: none"> -Improvement of Pedestrian Experience by enticing Restaurant/Retail use of Entire Storefront area of property. -Historical Redevelopment of Property -Sustainable/Green Redevelopment (more below) -Encouraging increased density downtown by replacing former vacant building with restaurant/retail and tech office space -Development of Property in the DAP district helping make this district more of a destination in itself, as recommended by the Updated Master Plan, and supported by the strong growth that district is seeing -Strong Public/Private Partnership: in addition to the proposed partnership with the City for the proposed grant, public funds has been sought from the State and Federal Gov't in the form of both Historic Rehabilitation Tax Credits, as well as Brownfields and EPA funds for the redevelopment of environmentally impaired properties.
<p>3. Describe sustainable measures which will be utilized in considering the environment during construction/deconstruction</p>	<p>The design/infill concept proposes to save as much of the original building design as possible- indeed the theme of the project is to save as much of the original property as can reasonably be accomplished. As a former industrial site, the strong bones (thick concrete floors, concrete roof with metal I-beam construction, 13" brick walls, and all-metal doors and windows all of which contribute to very high energy-efficiency) will be minimally altered, maximizing the environmentally green, re-use of the historic property. Where practicable and visually consistent with the original historical look, glass will be replaced with high-efficiency insulated units, high efficiency HVAC units (high SEER rating) and efficient air-flow design will be engineered, and the amazing natural light and skylight systems will be refurbished so as to provide the maximum amounts of natural light through all parts of the day. Additionally, by reusing an environmentally impaired building, efforts will be made to directly improve environmental conditions at the site during development.</p>



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4. Describe any of the following items that may be provided (in kind only): Enhancement to parks, plazas, greenways, parking, street activity or accommodations for pedestrian amenities such as bike racks, transit shelters, etc.

The site is likely to include a very pedestrian friendly design, including well lit front façade, outdoor seating area (possibly more than one outdoor seating area depending on tenant use), as well as bike rack(s) are planned at this time for the site. Parking onsite will be accommodated to the extent is possible under current zoning laws, and twelve additional nearby parking spaces to support the project has already been discussed and negotiated preliminarily.

FOR INTERNAL USE ONLY			
Project Location	<input checked="" type="checkbox"/> Downtown and/or <input type="checkbox"/> Parrish Street Project Area	OR	<input type="checkbox"/> In Targeted Section of Urban Growth Area <input type="checkbox"/> In Targeted CDA Corridor
Date Application Received:	October 7, 2011	Date Application Complete:	
Reviewed By:		Date:	
Approved By:		Date:	

I certify to the City of Durham that ALL of the information contained in this application is true and correct to the best of my knowledge. I agree to supplement this application with such additional information as may be requested in order to provide the most accurate and complete picture of my company and the timing of the project for which I am seeking incentive funding. I acknowledge the requested incentives constitute a bonafide inducement for my company to undertake this project, without which inducements my company would be less likely to pursue this project.

Todd P. Arlas

Print Name

sole member-manager

Title

Signature

10-5-2011

Date